

Pulaski County Assessor

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May 26, 2015

Barry Wood
Director, Assessment Division
Department of Local Government Finance

Re: Pulaski County 2015 Ratio Study

Dear Mr. Wood:

This letter is supplemental to the internal 2015 Ratio Study submittal. This letter of explanation will assist you and your staff as you review the worksheet values and analyze the 2015 Ratio Study.

Values in the Ratio Study were set by analyzing valid sales disclosure transactions occurring from January 1, 2014 through February 28, 2015 along with some supplemental 2013 sales transactions. Due to the timeframe of this analysis you will see a total of 79 sales for 2014/2015 and 53 sales for 2013 included in the Ratio Study. The sales that are occurring, outside of family and forced sales, are either stable or increasing exhibiting more typical marketing times. Therefore and un-like the 2014 Ratio Study, the analysis of the sales data indicates that annual adjustment (trending) is required in 2015 to value the residential improved properties located in Cass, Monroe, Salem, Franklin, Rich Grove, White Post, Van Buren and Indian Creek townships. The review of residential improved sales occurring in Harrison Township found the market to be stable and annual adjustment (trending) is not required in 2015. The review of residential improved sales occurring in Tippecanoe Township found slight reduction in the overall market and annual adjustment is required in 2015.

The review of residential vacant sales found two valid sales in 2013 and no additional valid sales in 2014 or 2015. With only two sales found countywide in this property class the confidence level is low to none indicating that annual adjustment (trending) is not required in 2015.

The review of commercial improved sales found four valid sales in 2013, one valid sale in 2014 and one valid sale in 2015. With only six sales found countywide in this property class the confidence level is low to none indicating that annual adjustment (trending) is not required in 2015.

Sales Disclosures

There are 79 valid 2014 and 2015 sales disclosures. As a result of the minimal sales activity in 2014 and 2015 and to increase the reliability of the sales data study consisting of no less than 5 sales per township and property class, some valid sales from 2013 are also incorporated to produce a representative sampling. The 2013 sale prices were not time adjusted due to static and slightly improving market conditions and no repeat sales of the same property location in 2014 or 2015.

Residential Vacant, Residential Improved, and Agricultural Improved (home-sites)

With including 2013 sales with the 2014 and 2015 sales in Cass, Monroe, Salem, Harrison, and Tippecanoe townships, the analysis indicates a reasonable level of confidence considering the Median, COD and PRD for those specified areas. There are minimal valid sales in the townships of Beaver, Franklin, Rich Grove, White Post, Van Buren, Jefferson and Indian Creek to analyze individually. Therefore, those valid 2013, 2014 and 2015 sales are combined and analyzed and listed as Residential Improved Countywide.

There are two 2013 valid sales and no 2014 or 2015 sales in the property class of Residential Vacant. I have included a study analysis of the two 2013 valid sales that indicate a reasonable confidence level considering the Median, COD and PRD. With only two sales supporting the Median, COD and PRD the annual adjustment (trending) is not required in 2015.

There are no 2013 valid sales and no 2014 or 2015 sales in the property class of Agricultural Improved (home-sites). The sales found during the review of Agricultural Improved included Agricultural Land Base Rates in the overall land value pricing in each parcel. The Agricultural Land Base Rate is determined by the State of Indiana and not comparable to market value in exchange and is considered not valid for trending purposes.

Commercial Improved and Industrial Improved

There are a total of six valid Commercial Improved sales (four in 2013, one in 2014 and one in 2015) included in the Study of which three sales are located in Monroe, one sale located in White Post and two sales located in Salem Township. Therefore the six valid Commercial Improved sales are combined and analyzed as Commercial Improved Countywide. The confidence level is considered to be reasonable considering the Median, COD and PRD. With only six sales supporting the Median, COD and PRD the annual adjustment (trending) is not required in 2015.

There are no sales transactions in 2013, 2014 or 2015 for Industrial Improved.

Commercial and Industrial Vacant

There are no sales transactions in these two property classes.

Workbook

The 2015 Ratio Study Workbook contains a total of eleven tabs. You should find the following tabs: Summary, Vacant Industrial, Improved Industrial, Vacant Commercial, Improved Commercial, Vacant Residential, Improved Residential, Agricultural Improved, Multi-Parcels, Formatted, and 2014 and Prior Year Reconcile.

Hopefully this letter of explanation will assist you in the review of the Pulaski County 2015 Ratio Study. Please feel free to contact me with any questions/comments you may have.

Respectfully submitted for your consideration,

Lorena H (Holly) Van Der Aa
Pulaski County Assessor